

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

GARY G. FLICK,

Plaintiff,

v.

THOMAS JEFFREY CAUFIELD,
ESSENTIAL FINANCIAL
EDUCATION, INC., and THE
TUITION FUNDING SOURCE, LLC,

Defendants.

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NO. 3:18-CV-01734-K

AGREED FINAL JUDGMENT

1. Plaintiff, Gary G. Flick, having filed his complaint (the “Complaint”) alleges, *inter alia*, that Defendants Thomas J. Caufield, Essential Financial Education, Inc., and The Tuition Funding Source, LLC, (collectively the “Defendants”) violated Section 10(b) of the Securities Exchange Act 1934 (the “Exchange Act”), 15 U.S.C.A. § 78a, et seq.; SEC Rule 10b-5, 17 C.F.R. § 240.10b-5; the Texas Securities Act (“TSA”), TEX. REV. CIV. STAT. ART. 581-1; and the Texas Uniform Fraudulent Transfer Act (“TUFTA”), TEX. BUS. & COM. CODE § 24.001; Plaintiff also alleges that defendants committed common-law fraud; fraud by omission; and breach of fiduciary duty (the “Claims”).

2. Plaintiff and Defendants have reached resolution of this litigation by way of a Confidential Settlement Agreement (the “Agreement”).

3. Defendants have executed the Consent of Defendants Thomas J. Caufield, Essential Financial Education, Inc., and The Tuition Funding Source, LLC (Doc. No. 27-1, pp. 4–7) (the “Consent”), have admitted service of the Summons and Complaint and the entry of findings of fact and conclusions of law pursuant to Rule 52 of the Federal Rules of Civil Procedure, have admitted to the jurisdiction of this Court over them and of the subject matter of this action and admitting the allegations contained in the Complaint, and have consented to the entry of this final consent judgment as to Defendants (the “Agreed Final Judgment”), without further notice.

4. Plaintiff and Defendants further intend that the Agreed Final Judgment be conclusive and binding on the issues settled in further litigation, including but not limited to any bankruptcy proceedings.

5. Plaintiff and Defendants stipulate that the elements required under 11 U.S.C. §523(a)(19)(A) and 11 U.S.C. §523(a)(19)(B) have been met, and the Agreed Final Judgment is non-dischargeable under the United States Bankruptcy Code.

IT IS ORDERED, ADJUDGED, AND DECREED that defendants are liable, jointly and severally, to Plaintiff in the amount of, and shall pay to Plaintiff the sum of, \$426,265.11 due under the Flick Notes, plus interest accrued as of the date of the entry of the Agreed Final Judgment.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Plaintiff shall recover from Defendants the sum of \$50,000 by way of punitive damages to be added to the sums above and payable by installments as set out in the Agreement.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Plaintiff shall recover from Defendants reasonable and necessary attorney's fees and costs in the amount of \$70,000 to be added to the sums above and payable by installments as set out in the Agreement.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the Plaintiff shall recover post-judgment interest on the amounts awarded herein at a rate of 5% per annum from the date of judgment until paid.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, pursuant to Rule 65(d) of the Federal Rules of Civil Procedure, this Agreed Final Judgment shall be binding upon each of the Defendants and their agents, servants, and employees and attorneys, and upon those persons in active concert or participation with them who receive actual notice of this Agreed Final Judgment by personal service or otherwise.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the provisions of the Consent are incorporated in this Agreed Final Judgment with the same force and effect as if fully set forth herein.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this Court shall retain jurisdiction of this matter for all purposes, including, but not limited to, implementing and enforcing the terms and conditions of this Agreed Final Judgment.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Plaintiff shall have all writs and processes in the collection or enforcement of this Agreed Final Judgment.

All writs and process for enforcement and collection of this Agreed Final Judgment may issue as necessary.

SO ORDERED.

Signed October 3rd, 2018.


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UNITED STATES DISTRICT JUDGE